Revival of CIWTC

3752. SHRI R.S. GAVAI: Will the Minister of SHIPPING be pleased to state:

(a) whether Government have approved a scheme for the revival of the ailing Central Inland Water Transport Corporation;

(b) if so, the details thereof;

(c) whether Government have accepted the recommendations of the management consultant 'Ferguson' regarding revival of CIWTC;

(d) if so, the details thereof;

(e) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF SHIPPING (SHRI HUKUMDEO NARAYAN YADAV): (a) Yes, Sir. Government of India have recently approved a revival package for Central Inland Water Transport Corporation (CIWTC) Ltd., Calcutta.

(b) The re-organisation plan includes the following:

(i) CIWTC will downsize the workforce to reach an optimum level of 1400 employees. An amount of Rs. 27.07 crore will be provided for implementing VRS in 3 years.

(ii) Closure of Deep Sea Ship Repair Division (DSSR) and Rajabagan Dockyard and only the essential staff of 45 employees of the DSSR Division to be retained for maintenance.

(iii) CIWTC will enter into a back to back arrangement with road transport agencies and examine the feasibility for such an arrangement with rail transport so as to facilitate user agencies like SAIL and FCI getting a 'one stop' service.

(iv) Roll back the age of retirement on superannuation to 58 years from 60 years.

(v) CIWTC and Ministry of Shipping will enter into a MoU on the revenue and expenditure projections for the four-year reorganization period, which will be monitored by the Ministry.

(vi) Budgetary support of Rs.76.55 crore shall be extended to CIWTC for implementing the rehabilitation package. For initial two years, CIWTC may be given budgetary support of Rs. 116.22 crore and the excess of budgetary support i.e. Rs. 39.67 crore will be refunded by CIWTC to Government on realization of sale of assets.

(vii) Government of India loan, both under Plan and Non-Plan together with interest amounting to Rs.425.98 crore as on 31-3-2000 is to be written off.

(c) to (e) A commercial consultant namely M/s A.F. Ferguson & Co., was commissioned to formulate a turn-around strategy for CIWTC Based on the report submitted by the Consultants and further recommendations made by Committee of Secretaries, the Government of India, keeping in view best Interest of Government and CIWTC, have accepted the following proposals:

(i) Continue with the present operations for river transp irtation operations;
(ii) Development of multimodal transport system;
(iii) Closure of Rajabagan Dockyard;
(iv) Provision of Rs.7.35 crore to be partially set off against realization from sale of vessels, amounting to Rs.2.85 crore (In the approved revival package this has now been revised to Rs. 13.00 crore);
(v) Rationalisation of manpower requirement;
(vi) Disposal of the assets of Rajabagan Dockyard and surplus land of River Services Division;
(vii) Partial writing off of Government of India principal of Loan (Plan & Non-Plan) alongwith interest accrued (In the approved revival package it has now been revised to entire write-off of principal and interest thereon accumulated upto 31-3-2000);
(viii) Payment of Statutory liabilities of Rs. 13.00 crore (In the approved revival package, it has now been revised to Rs. 7.00 crore);

Privatisation of Ports

3753. SHRI PREM CHAND GUPTA: Will the Minister of SHIPPING be pleased to state :

(a) whether it is a fact that Government have been trying to overcome the problem of long turnaround times at ports by privatising them;

(b) whether it is a fact that Pipavav port was set up at a cost of over Rs. 400 crores but is still not capable of handling more than 3.5 MT of cargo due to lack of infrastructure; and

(c) if so, how do Government plan to resolve the problems of our ports ?

THE MINISTER OF STATE IN THE M1N. STRY OF SHIPPING (SHRI HUKUMDEO NARAYAN YADAV): (a) Yes, Sir. In order to improve efficiency,